

Message Text

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ACTION EB-08

INFO OCT-01 AF-08 ISO-00 L-03 AID-05 CIAE-00 COME-00
FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03
SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 EUR-12 EA-07 /074 W
-----282133Z 094450 /71

P 281900Z JAN 77

FM AMEMBASSY KINSHASA

TO SECSTATE WASHDC PRIORITY 1485

LIMITED OFFICIAL USE KINSHASA 0789

FOR: BRIAN CROWE, EB/IFD, OMA

E.O. 11652: N/A

TAGS: EFIN, EGEN, CG

SUBJECT: ZAIRE'S DEBT RESCHEDULING

1. WE HAVE JUST RECEIVED COPY OF DRAFT BILATERAL; BUT BEFORE WE DISCUSS IT WITH GOZ AUTHORITIES, WE WOULD APPRECIATE ASAP CLARIFICATION REGARDING TWO POINTS AS WE ANTICIPATE POSSIBLE QUERIES FROM GOZ. BOTH QUESTIONS RELATE TO PARAGRAPH 1, ARTICLE IV WHICH STATES THAT QUOTE ZAIRE AGREES TO GRANT THE UNITED STATES AND ITS AGENCIES, AND ANY OTHER CREDITOR WHICH IS PARTY TO AN ORIGINAL AGREEMENT, TREATMENT AND TERMS NO LESS FAVORABLE THAN THAT WHICH MAY BE ACCORDED TO ANY OTHER CREDITOR COUNTRY FOR THE CONSOLIDATION OF DEBTS COVERED BY THE UNDERSTANDING UNQUOTE.

2. AS EMBASSY PARIS HAS PREVIOUSLY REPORTED INTEREST RATE OF FRENCH BILATERAL WHICH IS HIGHER THAN EFFECTIVE 7.77 PER CENT INTEREST RATE OF DRAFT US BILATERAL, WE ASSUME THAT USG WILL NOT WISH TO INCREASE EFFECTIVE INTEREST RATE BECAUSE OF HIGHER EFFECTIVE RATE IN FRENCH BILATERAL OR POSSIBLE OTHER BILATERAL. FRENCH BILATERAL PROVIDES FOR 8 PER CENT INTEREST RATE, THOUGH THIS IS EFFECTIVELY REDUCED TO AN UNDERMINED EXTENT BY POSTPONING
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FIRST TWO PAYMENTS BY SIX MONTHS. (WE ARE POUCHING COPY OF FRENCH BILATERAL.) AS PREVIOUSLY REPORTED, UK HAS REQUESTED 8 PER CENT INTEREST RATE, THOUGH THEIR NEGOTIATOR HAS INFORMED US THAT HE HAS POWER TO LOWER INTEREST RATE TO 7.5 PER CENT. JAPANESE EMBOFF HAS TOLD US THAT JAPANESE PLAN TO ASK FOR 8 PER CENT RATE.

3. WE ASSUME AS WELL THAT ABOVE CITED REFERENCE DOES NOT MEAN THAT GOZ IS OBLIGATED TO ACCORD USG TERMS WHICH MIGHT BE EXTENDED TO PRIVATE CREDITORS UNDER LONDON AGREEMENT OF NOVEMBER, 1976, OR ANY OTHER PRIVATE CREDITORS AGREEMENT.

4. PLEASE ADVISE ASAP AS TO ABOVE TWO POINTS SO THAT WE MAY BEGIN DISCUSSIONS WITH GOZ.
CUTLER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC STABILITY, POLICIES, DEBTS, LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977KINSHA00789
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770031-1040
Format: TEL
From: KINSHASA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977019/aaaaahnk.tel
Line Count: 70
Litigation Code IDs:
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Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b3f3e4dd-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3678633
Secure: OPEN
Status: NATIVE
Subject: ZAIRE'S DEBT RESCHEDULING
TAGS: EFIN, EGEN, CG
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b3f3e4dd-c288-dd11-92da-001cc4696bcc
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